

**Notice of Public Hearings on
Tuesday, January 13, 2009, and Thursday, January 15, 2009
on the topic of
CCHE Residual Fund Distribution Options**

Current Funding

Currently, the General Grant Fund balance is slightly over \$943,000. There may be other projects from all three rounds that will not be able to fulfill CCHE requirements within the timeline specified and thus, additional amounts of money may become available. It is difficult to predict the total amount of available funds at this time.

Timeline

Since CCHE is required to encumber all funds by June 30, 2010 and liquidate all assets by June 30, 2012, it is important to distribute whatever remaining funds are available in the General Grant Fund so that projects will have enough time to comply with our deadline date.

Options to Consider

CCHE staff outlined nine options for Board review and consideration at the April 23, 2008, Board meeting. Those options were updated by staff before the November 19, 2008, Board meeting and refined at that meeting. Based on Board direction and discussion, staff has outlined three options on which to receive public comment. The three options are described on the following page.

Note: All Public Hearings will begin promptly at the start times posted below. When all questions have been addressed, meetings will adjourn. This means that meetings may end and the meeting room may close prior to end times listed below.

Tuesday, January 13th

10:30 a.m. to 12:30 p.m.

Oakland Public Library - Main Branch

125 14th Street

Oakland, CA 94612

Thursday, January 15th

10:30 a.m. to 12:30 p.m.

Glendale Public Library - Central

222 E. Harvard Street

Glendale, CA 91205

	Option 1	Option 2	Option 3
Grant Type	Project and Planning	Project and Planning	Project and Planning
Open To:	Round 2 & 3 Applicants who received a reservation of funding from the CCHE Board.	Round 2 & 3 Applicants who passed the minimum threshold requirement and scored in the top 25% of their division (For Project Applicants*), but did not receive funding from the Board.	Round 2 & 3 Applicants who passed the minimum threshold requirement, but did not score in the top 25% of their division (For Project Applicants*) and did not receive a reservation of funding from the Board.
Pool:	134 apps. (\$46.1M)	37 apps. (\$29.3 M)	126 apps. (\$146.9 M)
Pros:	Pool knows procedures; Can begin in timely manner; allows full realization of projects	Broadens applicant pool, expands program impact.	Broadens applicant pool, expands program impact.
Cons:	Limits applicant pool	New to CCHE & State rules/laws	New to CCHE & State rules/laws

* Note: There was no requirement that Planning Applicants be in the Top 25% of their Division in order to be considered.

Board Criteria

- 1. Readiness to Proceed.** All applicants must demonstrate that they can initiate work on their new workplan within four (4) months after the CCHE Board has reserved funding for the project. Among the considerations under this factor are whether there are permits or other approvals needed that may be time consuming to obtain, the availability of other sources of funding, and whether the Project is subject to a legal challenge.
- 2. Geographic Diversity.** The Board will consider how projects may improve the geographic diversity across the state.
- 3. Ability to Most Effectively Complete a Project.** The Board will consider which projects would most fully realize their plans with the addition of CCHE funds.
- 4. Ability to Most Effectively Leverage Other Funds.** The Board will consider how projects may be able to receive and utilize other funding sources with the addition of CCHE funds; and whether the organization has access to any other funding sources.
- 5. Ability to Improve the Project**
- 6. Demonstrate a Record** for accomplishing successfully as much as possible given limited resources.
- 7. (Where Applicable) Urgency and Vulnerability** of a particular resource to deteriorate without additional funding.

CCHE Residual Fund Distribution Process

Application Process

1. CCHE advises applicants of their eligibility for residual funds
2. Applicants submit a supplemental application which includes how they would use additional CCHE funds to augment or to implement their current work plan.
3. CCHE staff will evaluate applications for compliance (per Preliminary Compliance Requirements) and also prepare a Staff Report for the Board's review.
4. Applicants will make a five-minute presentation to the CCHE Board regarding their proposed grant augmentation or project plan.
5. The CCHE Board reviews the application and the Staff Report and considers the presentation.
6. After the Board hears all the presentations, it will deliberate and determine whether to reserve funding and the amount of the reservation on a project by project basis.
7. A rank-ordered list is compiled that places applicants in position to receive funding as funds become available.
8. At a subsequent meeting, Board approves funding awards subject to funding being available.

PRELIMINARY COMPLIANCE REQUIREMENTS

Applicants applying under any of the Options would also need to meet the following requirements:

1. CEQA Compliance. The following types of projects will be eligible:

a) Projects where CCHE is a responsible agency, and which have been approved by the lead agency using existing CEQA documentation; and

b) Projects that are eligible for an exemption under CEQA.

2. Readiness. All applicants must demonstrate that they can initiate work on their new workplan within four (4) months after the CCHE Board has reserved funding for the project. Among the considerations under this factor are whether there are permits or other approvals needed that may be time consuming to obtain, the availability of other sources of funding, and whether the Project is subject to a legal challenge.

3. Progress Report Compliance. All applicants must have a record of timely submission of the required progress reports for their current grant. (This only applies to Option 1).

4. Match. All applicants must provide written documentation that demonstrates that they have the ability to match CCHE funds by a 1:1 match, as defined in the Round 3 Grant Application and Criteria for Project Grants, Appendix One (See attached document). The cash match portion, or a written commitment from a funding partner, must be on hand at the time the project is approved for funding. The Board may consider a reduced match if necessary to make projects realistic for underserved communities.

5. Other Requirements. Applicants will be required to comply with other CCHE requirements as described in the Round 3 Grant Application, the FAQs, and the standard CCHE grant agreement, if applicable (including demonstration of land tenure, insurance and a resolution from its governing board.)

6. Same Project Thread. Applicants cannot apply for funding that is outside the original scope of the project thread submitted in its initial grant application.

7. Encumbrance deadline of June 30, 2010. CCHE must encumber all planning and project funds by June 30, 2010. All funds must be liquidated by June 30, 2012. This means that the workplan and grant agreement must be approved by June 30, 2010, and the final invoice must be approved by June 1, 2012. There will be no exceptions to this requirement.

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